IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS MCALLEN DIVISION

| IN RE: | § | |
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| | § | |
| BAY AREA REGIONAL MEDICAL CENTER, LLC, | § | BANKRUPTCY No. 19-70013-EVR |
| | § | |
| DEBTOR. | § | CHAPTER 7 |
| | | |

TRUSTEE'S EMERGENCY MOTION TO EXTEND DEADLINE TO ACCEPT OR REJECT EXECUTORY CONTRACTS

<u>BLR 9013 Notice:</u> This motion seeks an order that may adversely affect you. If you oppose the motion, you should immediately contact the moving party to resolve the dispute. If you and the moving party cannot agree, you must file a response and send a copy to the moving party. You must file and serve your response within 21 days of the date this was served on you. Your response must state why the motion should not be granted. If you do not file a timely response, the relief may be granted without further notice to you. If you oppose the motion and have not reached an agreement, you must attend the hearing. Unless the parties agree otherwise, the court may consider evidence at the hearing and may decide the motion at the hearing.

Represented parties should act through their attorney.

<u>Emergency relief has been requested.</u> If the Court considers the motion on an emergency basis, you will have less than 21 days to answer. If you object to the requested relief or if you think that emergency consideration is not warranted, you should file an immediate response.

TO THE HONORABLE EDUARDO V. RODRIGUEZ, UNITED STATES BANKRUPTCY JUDGE:

Catherine S. Curtis, Trustee (the "**Trustee**") in this Chapter 7 case, by and through her counsel Pulman, Cappuccio & Pullen, LLP, hereby files *Trustee's Emergency Motion to Extend Deadline to Accept or Reject Executory Contracts* (the "**Motion**"), respectfully showing the Court as follows:

I. <u>Jurisdiction and Venue</u>

- 1. This Court has jurisdiction to consider the Motion pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue is proper before this Court pursuant to 28 U.S.C. §§ 1408 and 1409.
 - 2. The statutory predicate for the relief sought is 11 U.S.C. 365(d).

II. Procedural Background

- 3. Debtor is a medical hospital that ceased operating on or around May 4, 2018.
- 4. On July 20, 2018, Debtor executed a contract with Border Healthcare Solutions to provide legacy insurance billing and collection services on behalf of Debtor.
- 5. On January 10, 2019, Debtor filed a voluntary petition under Chapter 7 of title 11 of the United States Code, 11 U.S.C. §§ 101-1532 (as amended, the "Bankruptcy Code"). [ECF No. 1]. Within its petition, the Debtor estimated that it has between 25,001-50,000 creditors. *Id*.
- 6. On February 14, 2019, Debtor filed its Schedule G and listed only three executory contracts. [ECF No. 27]. The contract with Bolder Healthcare Solution was not scheduled.
- 7. On February 15, 2019, Debtor filed its Schedules E/F, which encompassed approximately 9,884 pages of creditors. [ECF Nos. 30, 31, 32]. The majority of these creditors are patients who may be owed a refund from overbilling. Billing records will be necessary to determine the extent and validity of these claims.

III. Relief Requested

8. By this Motion, Trustee requests the Court to extend the deadline for Trustee to accept or reject executory contracts to June 10, 2019.

IV. Basis for Relief Requested

- 9. Section 365(d)(1) of the Bankruptcy Code provides that a Trustee must assume or reject any executory contract or unexpired lease within 60 days after the order of relief, or the contract or lease is deemed rejected. 11 U.S.C. § 365(d)(1).
- 10. Currently, the deadline for the Trustee to assume or reject any executory contract is March 11, 2019.
- 11. Debtor did not schedule the executory contract with Bolder Healthcare Solutions. Trustee received a copy of the executory contract with Bolder Healthcare Solutions on March 6, 2019. More time is needed to evaluate the contract and determine if it should be assumed or rejected, as it is unclear if there has been a default that will need to be cured.
- 12. Additionally, Trustee is still in the process of determining what other executory contracts exist between the Debtor and other parties.
- 13. Therefore, the Trustee respectfully requests that the Court extend the deadline for the Trustee to assume or reject executory contracts to June 10, 2019.
 - 14. A copy of the proposed Order granting this relief is attached hereto as Exhibit A.

V. Emergency Relief Has Been Requested

15. Trustee requests an order extending the deadline for Trustee to assume or reject executory contracts to June 10, 2019, on an emergency basis. Emergency relief is warranted due to March 11, 2019, being the current deadline to accept or reject any executory contract.

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WHEREFORE, Trustee respectfully requests that the Court enter an order extending the deadline to Trustee to assume or reject executory contracts to June 10, 2019, and for such other relief, both at law and in equity to which the Trustee may be justly entitled.

Respectfully submitted,

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By: /s/ Thomas Rice

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ATTORNEYS FOR CATHERINE S. CURTIS, CHAPTER 7 TRUSTEE FOR THE ESTATE OF BAY AREA REGIONAL HEALTH CENTER, LLC

CERTIFICATE OF SERVICE

I hereby certify that on the 8th day of March 2019, a true and correct copy of the foregoing document was filed with the Court and served electronically upon those parties registered to receive electronic notice via the Court's CM/ECF system, including the following:

Via US First Class Mail

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/s/Thomas Rice

Thomas Rice

Exhibit A

IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS MCALLEN DIVISION

ORDER EXTENDING DEADLINE TO ACCEPT OR REJECT EXECUTORY CONTRACTS

On this date came on to be heard the *Trustee's Emergency Motion to Extend Deadline to Accept or Reject Executory Contracts*. The Court, finding that there is good cause for the extension, is of the opinion that the Motion should be granted in all respects.

It is therefore, **ORDERED**, **ADJUDGED AND DECREED** that the deadline for the Trustee to accept or reject executory contracts is hereby extended to June 10, 2019.

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SUBMITTED BY:

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